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RR RUEHDE RUEHMA RUEHPA  
DE RUEHOS #1043 2091603  
ZNR UUUUU ZZH  
R 281603Z JUL 06  
FM AMCONSUL LAGOS  
TO RUEHC/SECSTATE WASHDC 7706  
INFO RUEHZK/ECOWAS COLLECTIVE  
RUEHHH/OPEC COLLECTIVE  
RUEHUJA/AMEMBASSY ABUJA 7652  
RUEHLO/AMEMBASSY LONDON 0675  
RULSDMK/DEPT OF TRANSPORTATION WASHDC  
RUCPDOG/DEPT OF COMMERCE WASHDC  
RUEAHLG/HOMELAND SECURITY CENTER WASHINGTON DC  
RUEAIIA/CIA WASHINGTON DC  
RHMCSUU/DEPT OF ENERGY WASHINGTON DC  
RHEFDIA/DIA WASHINGTON DC  
RUFOADA/JAC MOLESWORTH AFB UK  
RUEATRS/DEPT OF TREASURY WASHDC  
RUEKJCS/SECDEF WASHINGTON DC

UNCLAS LAGOS 001043

SIPDIS

SENSITIVE BUT UNCLASSIFIED - HANDLE ACCORDINGLY  
SIPDIS

STATE PASS DOE FOR GPERSON AND CGAY  
STATE PASS TREASURY FOR ASEVERENS AND SRENENDER  
STATE PASS DOC FOR PHUPER  
STATE PASS TRANSPORTATION FOR MARAD  
STATE PASS OPIC FOR CDUFFY  
STATE PASS TDA FOR BTERNET  
STATE PASS EXIM FOR JRICHTER  
STATE PASS USTR FOR ASST USTR SLISER  
STATE PASS USAID FOR GWEYNAND AND SLAWAETZ

E.O. 12958: N/A

TAGS: [EPET](#) [PGOV](#) [ASEC](#) [PTER](#) [PINR](#) [NI](#)

SUBJECT: YOUTHS CONTINUE TO HOLD AGIP WORKERS; SHELL MOVES  
TO CONTAIN OIL SPILL IN RIVERS

REF: LAGOS 1029

11. (SBU) ConocoPhillips management, joint venture partner for AGIP, confirmed that local youths continued to hold approximately forty AGIP employees at an AGIP flow station in Bayelsa State (reftel). The AGIP employees have now been confined to the flow station for three days. ConocoPhillips reports no casualties. The AGIP Deputy Managing Director told us two negotiators from Bayelsa State and one from AGIP were negotiating with the community. He said part of the community's grievances stem from the Nigerian Navy's seizure of two boats from the village. Local press accounts indicate the community is dis-satisfied with AGIP's implementation of community development activities under their Memorandum of Understanding (MOU).

12. (SBU) Shell executives report the Bille community in Rivers State initially prevented Shell from accessing the Nembe Creek pipeline rupture (reftel). Shell now has access to the area, and crews are working to mitigate the significant oil spill. Once pollution prevention measures are in place, Shell will investigate whether the pipeline was deliberately vandalized or ruptured due to corrosion or other technical issues.

13. (SBU) Shell confirmed it has declared "force majeure" for deliveries of Bonny Light crude from their Bonny Island Export Terminal, saying they may have difficulty meeting some deliveries from late July through August. With international markets casting an increasingly worried eye at Nigeria, Shell emphasized their declaration is merely a precautionary market warning. A Shell executive told us they will make contracted deliveries of Bonny Light, but remain uncertain if they will reach the full quantity for all shipments.

